CALFED
BAY-DELTA
PROGRAM

1416 Ninth Street, Suite 1155
Sacramento, California 95814

(916) 657-2666
FAX (916) 654-9780

August 13, 1996

David J. Guy
California Farm Bureau Federation
1601 Exposition Blvd.
Sacramento, CA 95815

Dear David:

Thank you for your letter of July 17, 1996 explaining your concerns about the approach to land retirement in the proposed alternatives. The ten draft alternatives included both temporary fallowing during periods of shortage, and permanent land retirement. Permanent retirement was included in the alternatives as a measure to improve water quality by reducing discharges from drainage problem lands, and as a demand management/water use efficiency measure. The amount of permanent land retirement varied among the alternatives from a low range of 70,000 to 100,000 acres of permanent land retirement, to an upper end of 750,000 to 850,000 acres.

In response to the many scoping comments received on this issue, the Program has substantially rethought our approach to the land retirement issue. The Program will continue to consider permanent land retirement as a potential measure to improve water quality, but not as a direct tool in the Water Use Efficiency Program. In this context land retirement will be considered in an area limited to drainage management problems on the west side of the San Joaquin Valley. The Program recognizes several strategies are available to manage agricultural drainage from these lands, so there may be alternatives to land retirement. Further refinement will be necessary to decide the range of acreage considered for retirement to improve water quality. This approach must also complement other components of the CALFED alternatives that address water supply, including conveyance and storage.

We recognize that water use for agriculture can be significantly different from urban water use; such as how much water reuse that occurs, the ability to finance efficiency measures, the variability of water uses, and the ability to deal with shortages due to drought conditions. Agricultural response to reduced water supply during drought periods also differs from the urban sector. Irrigation districts and growers have many options to cope with drought water

shortages. These include implementation of additional water use efficiency measures, and voluntary changes in cropping patterns. Districts and growers may also elect to fallow land to make adequate water supplies available to other lands for crop production. This approach should be the result of integrated resources planning carried out at the local level. Water marketing can also help districts and growers cope with shortages if they can purchase additional supplies to finish an irrigation season, or if they take advantage of markets by temporarily fallowing or permanently retiring land to make water available for other uses. If the CALFED Program reduces physical conveyance constraints across the Delta and reduces institutional constraints to water transfers, a more active water market may be the result. As part of this effort, developing mechanisms to guard against social or environmental impacts that could result from an unrestricted water market may become necessary.

I appreciate your comment on this important aspect of the Program and look forward to your continued involvement in this effort.

Sincerely,

Lester A. Snow, Executive Director
CALFED Bay-Delta Program